CANADEXPORT

Volume 24 > Number 1

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Canada-Mexico Partnership: Increasing trade and investment

As North American countries and partners in the North American Free Trade Agreement (NAFTA), Canada and Mexico have become significant trading partners and close allies. The trade and investment relationship is one of confidence and growth. Canada has developed into Mexico's second-largest

export market, while Mexico is now Canada's fifth-largest export destination. With a young, growing population of more than 100 million, Mexico's economy will offer abundant opportunities for Canada to build upon this already expansive trade and investment relationship. Among other initiatives, the innovative and rapidly-growing Canada-Mexico Partnership is being used to capitalize on these opportunities.

The Canada-Mexico Partnership (CMP) was launched in October 2004, at the same time that the two countries were celebrating 60 years of diplomatic relations, as well as the 10th anniversary of NAFTA. The main purpose of the partnership is to enhance relationships between the two countries and to further cooperation in a broad range of priority areas. These include public-private sector partnerships, business-to-business links, bilateral investment, good governance practices, education, institutional reforms and citizen-focused government. These priorities have formed a rich basis for dialogue and cooperation, as demonstrated by the successes achieved in the first year of the Partnership.

The first CMP Report to Leaders was released on September 30, 2005, during the visit to Canada of Mexican President Vicente Fox. The report highlights key accomplishments by the Partnership's working groups on competitiveness, human capital and urban development and housing. Each working group has been organised to bring together business leaders, key economic actors and senior policy makers, and

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FDA compliance seminars for Quebec and Ontario companies

Buffalo, New York > The Buffalo District of the United States Food and Drug Administration (FDA) and the Canadian Consulate General in Buffalo recently co-sponsored the annual educational export seminar for Quebec companies, organized through the Plattsburgh-North Country Chamber of Commerce and held in Plattsburgh last October. On March 8, 2006, a similar event will be held in Burlington (ON) for Ontario companies.

The objective of the seminars is to assure that imported foods comply with U.S. laws and regulations by educating the import community and achieving voluntary compliance, whenever possible. The ultimate goal is to speed up the import process for all involved, which should result in a

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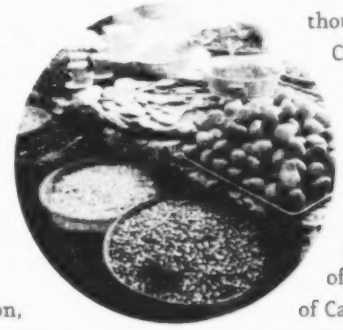
Mexican agri-food decision makers talk trade at round table

Mexico City > On November 10, the Canadian Embassy in Mexico City launched the first in a series of Mexican Agri-Food Importers Round Table sessions. Canadian Ambassador Gaëtan Lavertu opened the event, which attracted 17 Mexican agri-food importers and distributors of Canadian food and beverage products, from Guadalajara, Monterrey and Mexico City. In addition, Canadian agri-food companies with offices in Mexico such as McCains and Maple Leaf, as well as the Canadian Beef Export Federation, attended the event. Export Development Canada's representative in Mexico City, Canada's Border Clearance Representative and officials from the Canadian Consulate General in Monterrey, the Canadian Consulate in Guadalajara and Agriculture and Agri-Food Canada also participated.



The session served to further clarify Mexican importers' concerns on market access and border issues, and provided them with a better understanding of the Government of Canada's services and Canada's agri-food market development strategy. Above all, the event was an opportunity for participants to share their thoughts on how to increase the presence of Canadian agri-food products in Mexico. Importers were extremely pleased with the session—additional round table discussions will be organized to focus on specific themes.

Mexico is one of Canada's fastest-growing agri-food export markets and one of five priority markets for the Government of Canada in this sector. In 2004, Canada exported a record $1.4 billion in agri-food products, an increase of almost 60 percent over 2003. Agri-food exports represented 23 percent of Canada's total exports to Mexico in 2004.

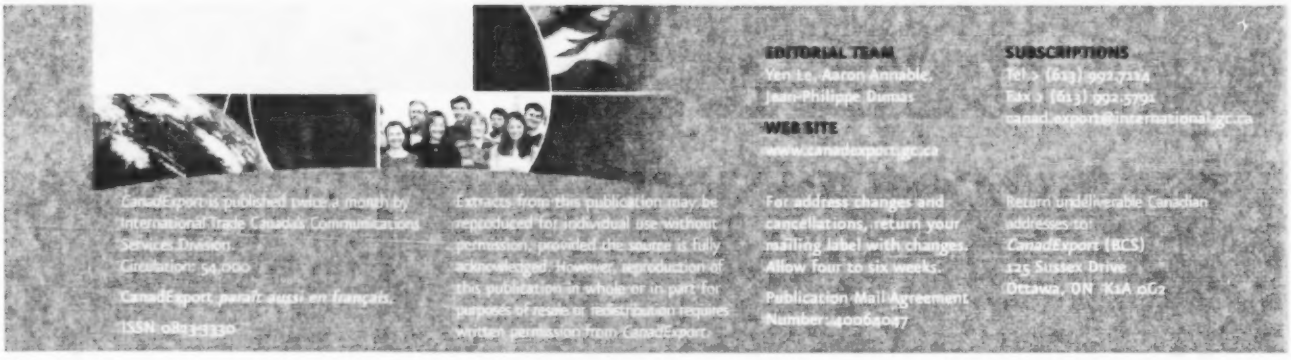
For more information, contact Marcello DiFranco, Canadian Embassy in Mexico, tel.: (011-52-55) 5724-7900, e-mail: marcello.difranco@international.gc.ca, Web site: www.mexico.gc.ca.

positive importing experience and increased sales to the U.S.

The one-day event in Plattsburgh was well-attended; the mix of attendees included Quebec food companies, customs brokers, transportation companies and state and federal government representatives from the U.S. and Canada. Presentations were provided by the FDA, U.S. Customs and Border Protection and the Canadian Food Inspection Agency to review the part they each play in preparing companies to meet U.S. importation requirements.

The participants appreciated having an opportunity to meet directly with the government representatives that are physically involved in the decision-making process at Quebec/New York border crossings. As a result of this event, the FDA in Buffalo requested that the Consulate General work with them in developing a similar program for Ontario companies in March 2006.

For more information, please contact Marcia Grove, Trade Commissioner, Canadian Consulate General in Buffalo, tel.: (716) 858-9500, e-mail: marcia.grove@international.gc.ca.



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to foster the creation of public- and private-sector networks and partnerships. These networks will continue to pay off through increased trade and investment between the two countries. Two additional working groups, one focusing on agri-business and the other on energy, were recently created, resulting in the Partnership's expansion to five groups.

Against the backdrop of the CMP, Canadian and Mexican firms have collaborated on numerous projects that have led to increased trade and investment opportunities. In the working group on housing, Mexican members agreed to incorporate innovative and sustainable Canadian technologies into their construction projects. Mexican companies in the urban development working group have begun to introduce Canadian wastewater treatment facilities into rural Mexican communities. The competitiveness working group is focused on reducing barriers to trade and investment and promoting Mexico-Canada business partnerships, in order to attain its goals of increasing bilateral trade by 50 percent and investment by 100 percent by 2010. As each working group continues to evolve, these projects will expand and new initiatives will be implemented.

The Canada-Mexico Partnership has added a new dimension to our dynamic relationship and effectively complements both NAFTA and the Security and Prosperity Partnership of North America. The dedication and hard work that characterize the Partnership will continue to enhance cooperation between Mexico and Canada for many years to come.

For more information, go to www.itcan-cican.gc.ca/cmp-en.asp.

Tapping into a hot Mexican market

Mexico City > After a recent trade mission to Mexico, seven leading Canadian building product manufacturers are closer to their goal of building partnerships and increasing exports to a sizzling Latin American market. The Canada Mortgage and Housing Corporation (CMHC) and the Canadian Embassy in Mexico organized the mission, part of an eight-month custom export program that matches the profiles and business objectives of participating companies.

The visit coincided with the release of a CMHC report on the buying patterns of Mexican developers. Among the findings: more than 50 percent of developers showed interest in finding new suppliers and nearly 40 percent worked with foreign suppliers. This year, Mexico's building products market is expected to top $7.2 billion.

Representatives of Genesis TP (light-steel frame construction system), Icynene Inc. (foam insulation), Royal Dynamics (Dura Slate Roofing System), Loewen Windows (high-end wood windows), ThermaRay (thermal comfort systems), Phantom Screens (window screens) and PG Flooring (hardwood flooring) were on the trip to Mexico City, Guadalajara and Monterrey in October.

"We have joined the CMHC Mexico mission for the past four years because the mission and follow-up support have helped our company increase our market penetration," says Roberto Amaya, Latin America Territory Manager for Loewen Windows.

Each company met with pre-qualified potential buyers, agents or distributors; promoted their products at technical seminars for builders and architects; visited both low- and high-rise construction sites; and were invited to Latin America's largest construction trade show, Expo CIHAC 2005.

"Identifying appropriate Canadian products and offering a customized approach to finding the right buyers in Mexico have been critical to our success," says Paulina Barnes, CMHC Senior Trade Consultant. "We target the high-end construction market, which offers Canadian companies the most opportunities."

The delegation of Canadian manufacturers in Mexico.

For more information on the Mexico Building Patterns report, visit the CMHC Web site at www.cmhc-schl.gc.ca/en/homadoin/excaprex/suexin/upload/Mexico_EN.pdf.

New trade commissioners abroad

As Canada's Chief Trade Commissioner, it is my pleasure to welcome the following members of the Canadian Trade Commissioner Service, who were assigned to our offices abroad last fall. These colleagues are in addition to the trade commissioners featured in the November 15th *CanadExport* special supplement.

Together with 900 of their colleagues across Canada and around the world, the trade commissioners below can facilitate your entry into new foreign markets and provide in-market assistance in the development of your international business.

Whether you are exporting to China for the first time or expanding your existing operations in Brazil, we are here to help you navigate the international commerce challenges in today's global markets.

Robert Déry
Acting Assistant Deputy Minister,
Business Development and
Chief Trade Commissioner

Ken Lewis
Senior Trade Commissioner
Embassy of Canada
in China

Paula Caldwell
Senior Trade Commissioner
Consulate General of Canada
in São Paulo

James Gilmour
Trade Commissioner
Consulate General of Canada
in Hong Kong

Andrew Shisko
Senior Trade Commissioner
Embassy of Canada
in the United States of America

Neil Swain
Trade Commissioner
Embassy of Canada
in the Republic of Korea

Maurice Egan
Senior Trade Commissioner
Consulate General of Canada
in Chicago

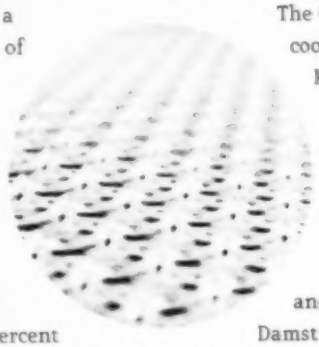
François Gauthier
Senior Trade Commissioner
Embassy of Canada
in Germany

Jim Feir
Senior Trade Commissioner
Consulate General of Canada
in Los Angeles

For a complete listing of our offices in Canada and abroad, visit

"Composites for better living" show coming up in Paris

Paris, France, March 28-30, 2006 > The **JEC Composites show** has become the composite industry's leading global trade fair. Professionals will find a wide range of information on all sectors of the industry, including raw materials, development, equipment and services at this annual industry gathering.



The 2005 show welcomed more than 25,000 visitors from around the world (64 percent of visitors came from outside France), a 12 percent increase over the number of visitors in 2004. The number of exhibitors also jumped by 20 percent over the previous year: more than 900 exhibitors from 40 countries were at the show.

JEC 2006, the global composites showcase, gives Canadian manufacturers the opportunity to find out about the latest trends, plug in to new networks in the global composites industry and meet potential partners for future international collaborations.

The Canadian presence at JEC 2006 will be coordinated by the Canadian Embassy in Paris, in collaboration with Industry Canada and the Canadian Plastics Industry Association, which will provide logistical support in recruiting participants and organizing the Canadian pavilion.

For more information on registration and Canadian participation, contact Sally Damstra, Canadian Plastics Industry Association, e-mail: sdamstra@cpia.ca, Web site: www.cpia.ca. For trade information on the sector, contact Musto Mitha, Trade Commissioner, Canadian Embassy in France, e-mail: musto.mitha@international.gc.ca. JEC 2006 Web site: www.jeccomposites.com/jec-show.

Strong Canadian presence at France's *Salon Maison Bois*

Angers, France > For its sixth year participating at the *Salon Maison Bois* in Angers, Canada fielded a delegation of 25 companies and organizations: BC Wood Specialities Group, BC Shake and Shingle Association, Canada Wood, the Quebec Wood Export Bureau (Q-WEB), the Canada Mortgage and Housing Corporation, Industry Canada and the Canadian Embassy in Paris. This delegation—the largest foreign presence at the *Salon Maison Bois*—included representatives from all sectors of the Canadian wood construction industry. Two Canadian conferences on wood frame construction, organized and sponsored by the Canadian Embassy in Paris and Q-WEB, highlighted Canadian expertise.

The success of this trade show confirms the current strong demand for wood housing, a market that has shown uninterrupted growth for the last five years. Canadian exhibitors had numerous and encouraging business opportunities, with healthy prospects for the coming years. Wood frame housing construction should be able to gain a significant share of industrial and public housing contracts, and Canada is well-positioned to benefit.

From left: Denyse D'Amours, CMHC, Jean-Guy Bernard, Industry Canada, Hugo Lemieux, Canadian Wood Council and Lorne Smith, Industry Canada.

The next *Salon Maison Bois* trade show will take place from October 13 to 16, 2006.

For more information, contact Denis Trottier, Commercial Officer, Canadian Embassy in France, tel.: (011-33-1) 44-43-23-82, e-mail: denis.trottier@international.gc.ca.

Feel the heat at World Bioenergy 2006

Jönköping, Sweden, May 30-June 1, 2006 > Participants will have the chance to learn from the Swedish experience in energy production from biomass at **World Bioenergy 2006**. There will be opportunities to showcase technologies to a market where 24 percent of the total energy demand is supplied from bio-energy sources. The event will encompass two conferences and three trade shows—World Bioenergy, Pellets and Elmia Waste & Recycling—all taking place in southern Sweden.

Like Canada, Sweden is rich in forest resources. Wood biomass and by-products from the forest sector and pulp and paper industry represent the primary sources of biofuel currently in use. Other sources include peat, household waste and agricultural biomass. Bioenergy is primarily used in district heating, heating individual homes, electricity production and the forest industry. In 2004, the equivalent to 110 terawatt hours was supplied from bioenergy sources.

Waste has also become an important source of fuel in Sweden's energy sector. Almost half of all the household waste in Sweden is incinerated at waste-to-energy plants that are equipped with effective flue gas cleaning. A third of the household waste is recycled and 10 percent is treated biologically. Sweden has thus achieved a 90 percent diversion of household waste from landfill. Organisations that are taking part in this development will be exhibiting at the Elmia Waste & Recycling trade show. The inter-linkage between bioenergy and waste management is being addressed, as the World Bioenergy and Waste & Recycling events are being coordinated for the first time.

The World Bioenergy conference will also offer a site visit program in which bioenergy solutions will be demonstrated. The program will cover the following areas:

- forest energy harvesting and transportation (logging, residue bundling, short-rotation-coppice, on-site chipping);
- biofuel refining and transportation (pelletising plants, gasification, biogas production);
- heat and power generation (waste-to-energy, combined heat and power); and
- small-, medium- and large-scale pellet production.

Event participants will benefit from this excellent opportunity to network with key players in the bioenergy sector. The Canadian Embassy in Sweden is coordinating a Canada pavilion for companies interested in showcasing their products and expertise in the field.

For more information, contact Inga-Lill Olsson (energy, environment sectors), e-mail: inga-lill.olsson@international.gc.ca, or Maria Stenberg (forestry, agricultural sectors), e-mail: maria.stenberg@international.gc.ca, Canadian Trade Commissioner Service, Canadian Embassy in Sweden, tel.: (011-46-8) 453-3000. Event Web sites: www.worldbioenergy.se, www.pellets2006.com, www.elmia.se/waste-recycling.

IMEXPRO 2006: Sri Lanka's international fair

Colombo, Sri Lanka, March 16-18, 2006 > The Ceylon Chamber of Commerce (Sri Lanka's largest and oldest) is organizing the IMEXPRO 2006 international trade fair in Colombo this coming March. The last edition attracted more than 200 international visitors, and an opportunity is once again available for overseas exhibitors, buyers, and sellers to participate.

Buyers and sellers from Australia, China, Egypt, India, the Middle East, Norway, Pakistan, Poland, Singapore, the Slovak Republic, Slovenia, Tunisia and the U.K. have confirmed their participation, thus creating a platform for numerous international networking opportunities.

IMEXPRO will be a great opportunity for Canadian exporters, importers and potential investors to assess Sri Lanka's capabilities for enhancing their market strengths, and to develop strategic investment and joint venture partnerships.

For more information, contact Puvi Domingopillai, Assistant Secretary-General, Ceylon Chamber of Commerce, tel.: (011-94-11) 242-2084, e-mail: puvi@chamber.lk, Web site: www.chamber.lk.

Embassy to hold catalogue shows in Gulf countries

Riyadh, Saudi Arabia > The Canadian Embassy in Saudi Arabia is planning to hold catalogue shows in Saudi Arabia, Bahrain and Oman in March 2006. With the cooperation of the chambers of commerce and industry in each country, the Embassy will display catalogues, brochures and posters from Canadian companies that are interested in exporting to the Saudi, Bahraini and Omani markets. This will also enable them to identify potential local companies that are interested in Canadian products and services.

Companies interested in participating can send catalogues and other promotional materials for distribution or display during these shows, in quantities of at least 30 catalogues and not more than 120. Materials can be sent by courier directly to the Embassy at the following address: Commercial Section, Canadian Embassy in Saudi Arabia, Diplomatic Quarter, P.O Box 94321, Riyadh 11693, Saudi Arabia. Indicate "CATALOGUE SHOW" and the appropriate sector. Companies should confirm their participation by fax or e-mail.

For more information, contact Andreas Weichert, Minister Counsellor (Commercial), tel.: (011-966-1) 488-2288, fax: (011-966-1) 488-0137, e-mail: ryadh-td@international.gc.ca.

SMM 2006: The global marketplace for marine technology

Hamburg, Germany, September 26-29, 2006 > Next fall, what many consider to be the world's foremost marine trade fair will be held in Hamburg. Experience has shown that the bi-annual **Shipbuilding, Machinery and Marine Technology International Trade Fair** (SMM) presents one of the best opportunities to introduce products to the international shipping and shipbuilding market. In 2004, over 42,000 trade visitors explored 1,450 stands displaying products from a very broad selection of marine sectors.

Canadian exhibitors reported very favourably on their experiences at SMM. In light of this, the Canadian Consulate in Hamburg will be actively involved in the 2006 fair.

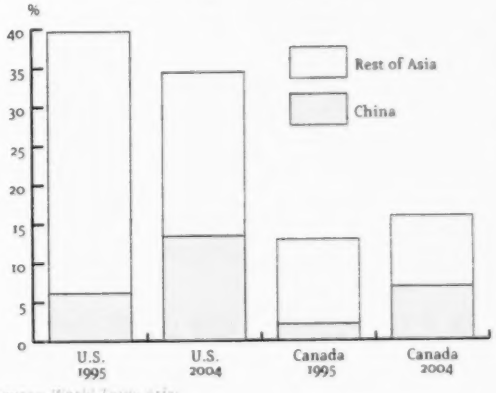
For more information, go to www.smm2006.com. Recruitment from the Atlantic Provinces is being coordinated by Hayward Keats, Newfoundland and Labrador Association of Technology Industries, tel.: (709) 772-7385. Companies in other provinces should contact Tomlin Coggeshall, McNabb Marketing Resources (SMM representative), tel.: (207) 236-6196, e-mail: tcogg@midcoast.com.

Is Asian manufacturing moving to China?

In both Canada and the U.S., the proportion of imports originating from China has increased over the past decade (1995-2004), rising from 6.1% to 13.4% in the U.S., and from 2.1% to 6.8% in Canada. With respect to the U.S., this increase in China's share came at the expense of the rest of Asia: the share of imports from countries other than China decreased by 12.5%. In Canada's case, however, the rest of Asia suffered less, with their share of imports decreasing by a much smaller 1.8 percentage points. These trends might suggest that China is becoming the manufacturing centre of Asia.

Provided by the Trade and Economic Analysis Division (www.international.gc.ca/eet).

Canada and the U.S.: Imports from Asia
(percentage of total imports)



Source: World Trade Atlas

Moscow, Russia
April 4-7, 2006
Since 1995, **MosBuild** has been one of Russia's largest and most prestigious events for the construction, building and interiors industry. It will feature more than 1,700 companies from Europe and beyond.
Contact: Valery Makarov, Trade Commissioner, Canadian Embassy in Russia,
tel.: (011-7-095) 105-6064,
e-mail: valery.makarov@international.gc.ca.
Web site: www.mosbuild.com

Caracas, Venezuela
March 17-18, 2006
Descubra Canada 2006, Canada's premier event in Venezuela, will focus on education, and cover trade and tourism as well. It will be a unique platform for educational and language training institutions seeking to establish a foothold in this growing market.
Contact: Claudio Ramirez, Trade Commissioner, Canadian Embassy in Venezuela,
tel.: (011-58-212) 600-3134,
e-mail: crcas-td@international.gc.ca.
Web site: www.descubracanada.com

Moscow, Russia
March 14-16, 2006
The **Russia Power 2006** exhibition and conference will provide a great networking environment for industry decision makers. Russia's power industry is the fourth-largest in the world and offers huge potential.
Contact: Irina Litvinova, Trade Commisioner, Canadian Embassy in Russia,
tel.: (011-7-095) 105-6062, e-mail:
irina.litvinova@international.gc.ca.
Web site: www.russia-power.com

Padova, Italy
March 15-18, 2006
Don't miss the **SEP International Ecotechnologies Exhibition**, an important international meeting on waste, water, air and energy management services, land reclamation and energy, as well as soil, air and noise monitoring and control.
Contact: Patrizia Giuliotti, Trade Commissioner, Canadian Embassy in Italy,
tel.: (011-39-06) 44598-1,
e-mail: ital-td@international.gc.ca.
Web site: www.sepeurope.org

Hamburg, Germany
May 16-19, 2006
WindEnergy 2006 will be an excellent opportunity for Canadian companies to explore the German wind energy sector and meet with firms from other countries. The event will also feature a conference on topics of concern to the sector.
Contact: Bruno Wiest, Trade Commissioner, Canadian Embassy in Berlin,
tel.: (011-49-30) 20-312-363,
e-mail: bruno.wiest@international.gc.ca.
Web site: www.windenergy.de

Tokyo, Japan
May 23-26, 2006
N-EXPO 2006 is Japan's leading environmental exhibition. More than 153,000 visitors and 549 exhibitors from all sectors of the industry attended the last edition.
Contact: Christian Hallé, Trade Commissioner, Canadian Embassy in Japan,
tel.: (011-81-3) 5421-6200,
e-mail: jpn.commerce@international.gc.ca.
Web site: www.nippo.co.jp/eng/n-expo06

Caracas, Venezuela
May 22-25, 2006
The **XVII International Gas Convention and VI Industrial Gas Trade Show** is the Venezuelan gas industry's most important biannual event. It will cover the technical and business aspects of gas processing and related activities.
Contact: Daniela Oyague, Trade Commissioner, Canadian Embassy in Venezuela,
tel.: (011-58-212) 600-3000,
e-mail: crcas-td@international.gc.ca.

Maracaibo, Venezuela
June 27-29, 2006
As Venezuela's premier petroleum trade show for over 25 years, the **XVII Latin American Petroleum Show** will attract energy industry decision makers and executives from around the world and host audiences that rank in the thousands.
Contact: Daniela Oyague, Trade Commissioner, Canadian Embassy in Venezuela,
tel.: (011-58-212) 600-3000,
e-mail: crcas-td@international.gc.ca.
Web site: www.oilonline.com/LAPS

Milan, Italy
March 15-18, 2006
Innovation for a safer world will be the focus at **SICUREZZA**, Italy's major security and safety event. It will be combined with the **SICURTECH Expo**, making it one of the largest events of its kind in the world.
Contact: Anna Marchetti, Trade Commissioner Assistant, Canadian Consulate General in Milan, tel.: (011-39-02) 6758-1,
e-mail: ital-td@international.gc.ca.
Web site: www.sicurezza.it

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